

Kids Daycare

Market Research Report



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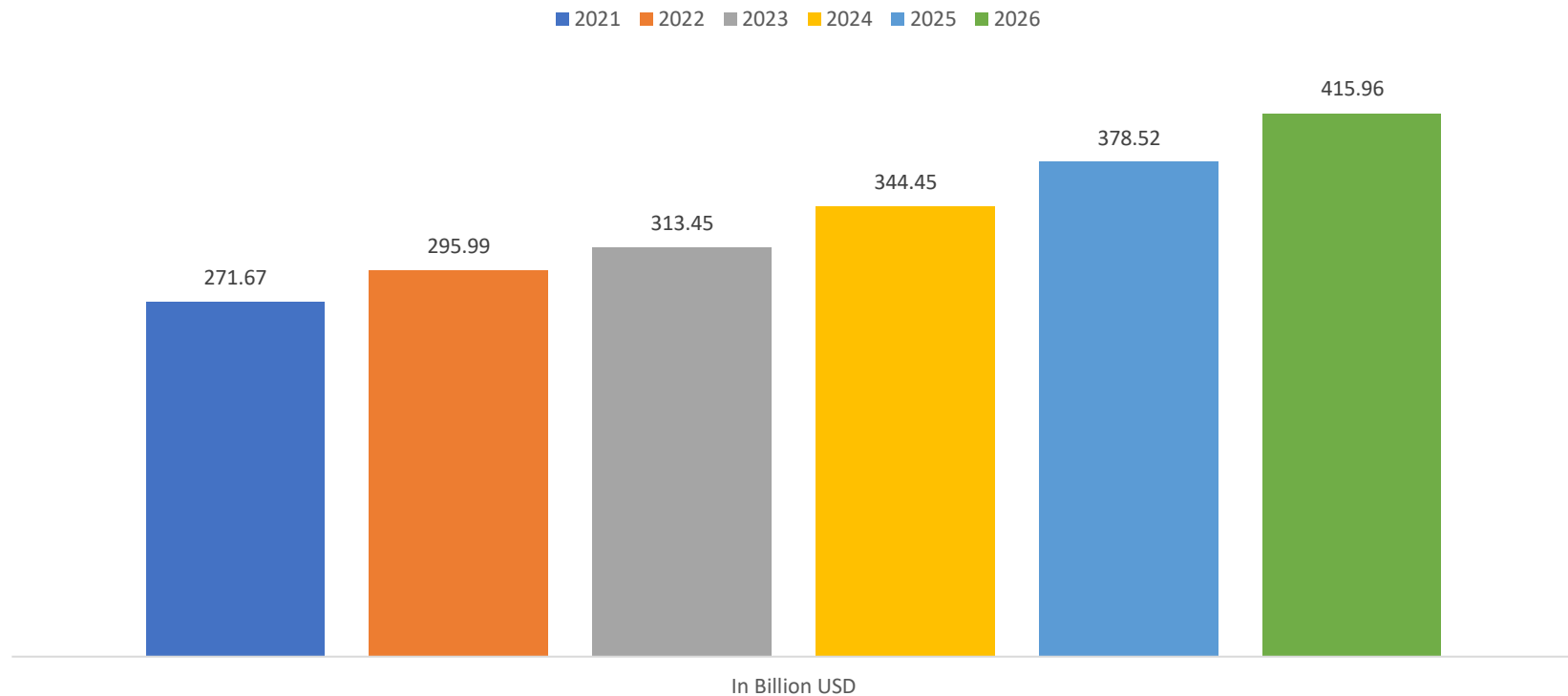


Kids Daycare

Global Market Size

The global child day care services market size is expected to grow from \$271.67 billion in 2021 to \$295.99 billion in 2022 and growing at compound annual growth rate (CAGR) of 9% by forecast period (2021-2026).¹

Global, Kids Daycare Market Size (2021-2026)

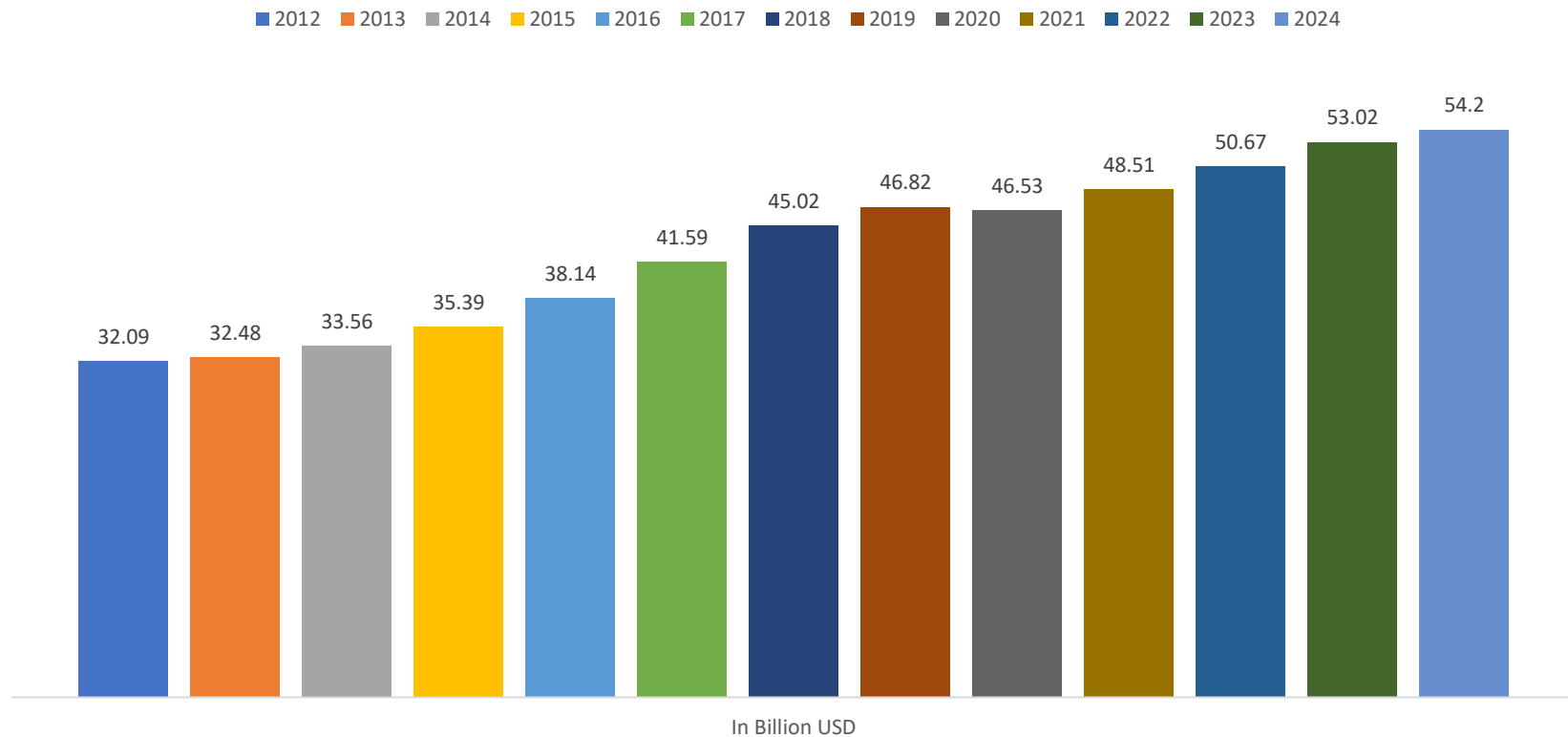


¹ <https://www.thebusinessresearchcompany.com/report/child-day-care-services-global-market-report>

U.S. Market Size

This statistic shows the revenue of the industry “child day care services” in the U.S. from 2012 to 2018, with a forecast to 2024. It is projected that the revenue of child day care services in the U.S. will amount to approximately 54,2 billion U.S. Dollars by 2024.²

U.S. Kids Daycare Market Size (2012-2024)



² Statista: <https://www.statista.com/forecasts/311205/child-day-care-services-revenue-in-the-us>

Market Growth Factors & Trends

The increase in the number of working parents and the subsequent demand for child care are factors that are expected to drive the market in the coming years. A survey conducted by the Center for American Progress reported that around 2.0 million parents had to make career sacrifices due to the childcare-related problems in 2016 (most recent data available). There is a rise in awareness regarding the link between economic growth, parental employment, and access to child care, which is expected to increase the availability of child care centers at affordable prices.

According to the Child Care Aware of America's report 'Parents and the High Cost of Child Care' in 2019, the child care expenditure comprises a major part of a family's budget. To address this problem, the Child Care Development Block Grant (CCDBG) was granted additional funding worth USD 5.3 billion in 2019. The rising trend of employers offering onsite or near-site childcare facilities for their employees is expected to contribute to market growth over the forecast period.

The early education providers are undertaking necessary measures to ensure efficient education for all the children. In May 2020, Parma City Schools introduced Kindergarten Launch Academy, which will focus on problem-solving, foundational literacy, math skills, and social and emotional learning to make the younger kids ready for kindergarten.

The early education and daycare segment dominated the U.S. child care market and accounted for the largest revenue share in 2019. This is owing to an increasing number of daycare and early education centers in the country. The demand for early education is growing rapidly as around 1.4 million and 3.7 million students were enrolled in prekindergarten and kindergarten respectively in 2019.

An expected increase in the women employment rate in the forecast period is estimated to drive the market for child care. For instance, the share of women in the labour force in the USA is expected to increase to 47.2% in 2024, driving the demand for on-site child care facilities at corporates. The rise of the on-site child care market is also highly supported by government initiatives to encourage women to work, which will directly contribute to the growth of the child care market in the forecast period.

Child day care centers are leveraging technologies to facilitate parents to stay connected with their children. Many daycare centers are using apps to provide video streaming of classroom activities and send pictures of kids to parents. This technology enables parents to monitor their child at the care center by accessing videos and pictures of kids at child day care centers.

Competitor Analysis (U.S.)

Kid City USA



Kid City USA Enterprises offers unparalleled preschool, daycare, and before & after school programs at 100 locations nationwide.

Website:

www.kidcityusa.com

Revenue:

\$12 Million³

Services:

Daycare
Preschool
Before & After School Care

Locations:

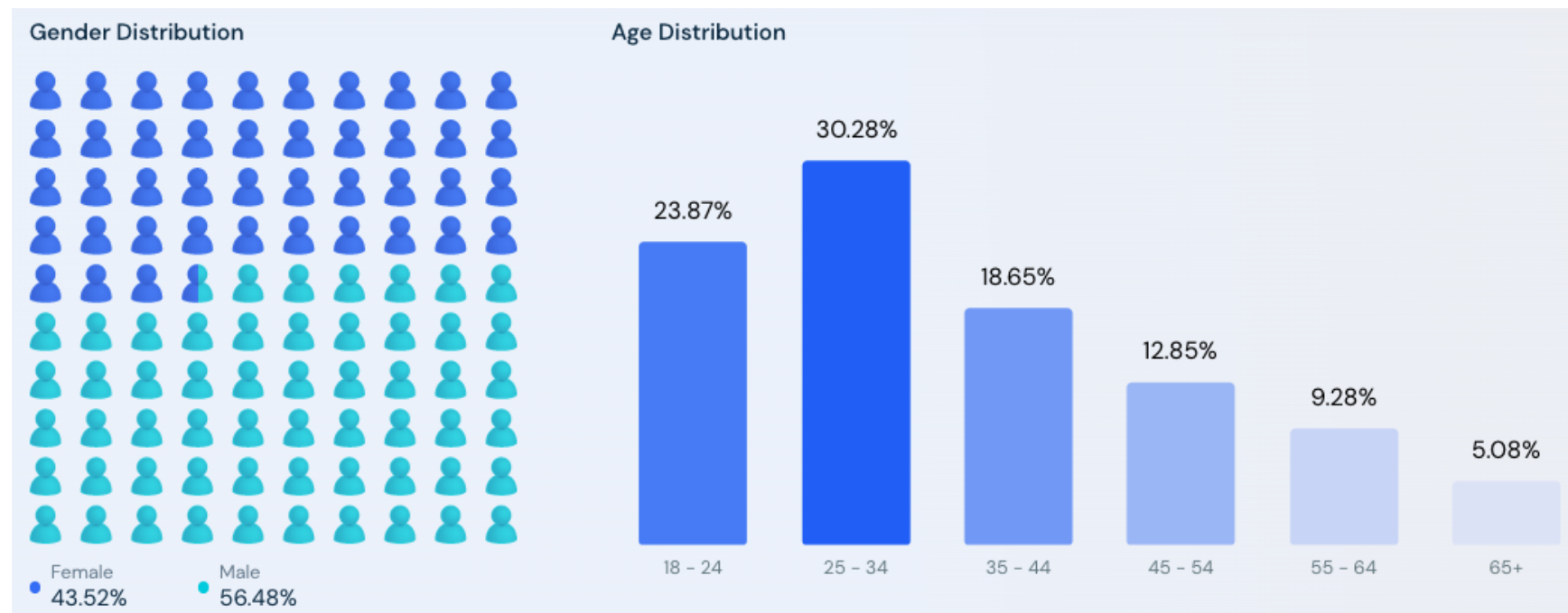
Alabama
Colorado
Florida

³ ZoomInfo: <https://www.zoominfo.com/c/kid-city-usa/348109265>

Georgia
Indiana
Kentucky
North Carolina
Tennessee

Audience Demographics

kidcityusa.com's audience is 56.48% male and 43.52% female. The largest age group of visitors are 25 - 34 year olds.⁴



⁴ Similar web: <https://www.similarweb.com/website/kidcityusa.com/#demographics>

KinderCare Learning Centers



KinderCare Learning Centers is an American operator of for-profit child care and early childhood education facilities founded in 1969 and currently owned by KinderCare Education based in Portland, Oregon. The company provides educational programs for children from six weeks to 12 years old.

Phone Number:

(503) 872-1300

Website:

www.kindercare.com

Revenue:

\$1 Billion⁵

Locations:

1500

HQ:

Portland, Oregon, United States

⁵ ZoomInfo: <https://www.zoominfo.com/c/kindercare-learning-centers-llc/153371446>

Programs:

Early Education Programs Overview

Infant Daycare (6 weeks to 1 year)

Toddler Daycare (1 to 2)

Discovery Preschool (2 to 3)

Preschool Program (3 to 4)

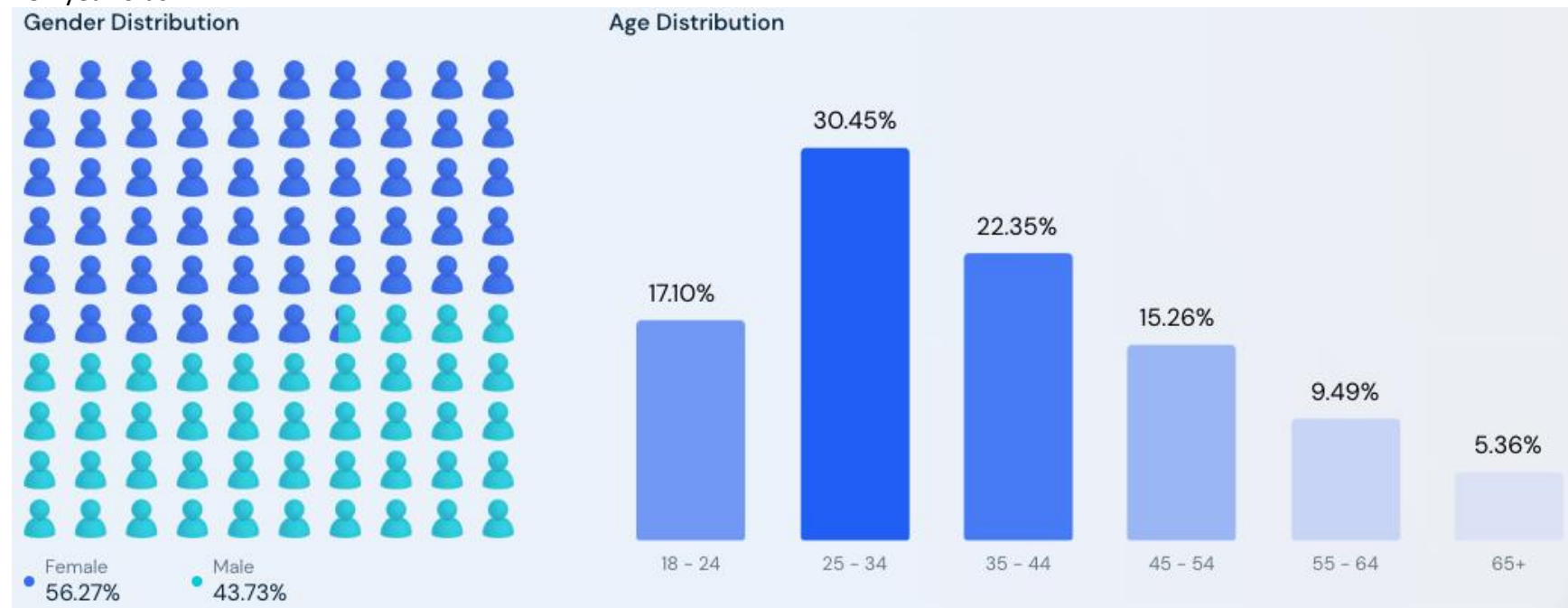
Prekindergarten Program (4 to 5)

Transitional Kindergarten (4 to 5)

Kindergarten (5 to 6)

Interactive Kindergarten (5 to 6)

Audience Demographics: kindercare.com's audience is 43.73% male and 56.27% female. The largest age group of visitors are 25 - 34 year olds.



Children of America



Children of America, Inc. provides childcare and after-school programs. The Company offers infant, toddler, preschool, kindergarten, before and after school, and summer camp programs. Children of America also provides commercial real estate investment and development services in the United States.

Phone Number:

(800) 821-0561

Website:

www.childrenofamerica.com

Revenue:

\$338 Million⁶

HQ:

5300 West Atlantic Avenue Suite 700 Delray Beach, FL 33484 United States

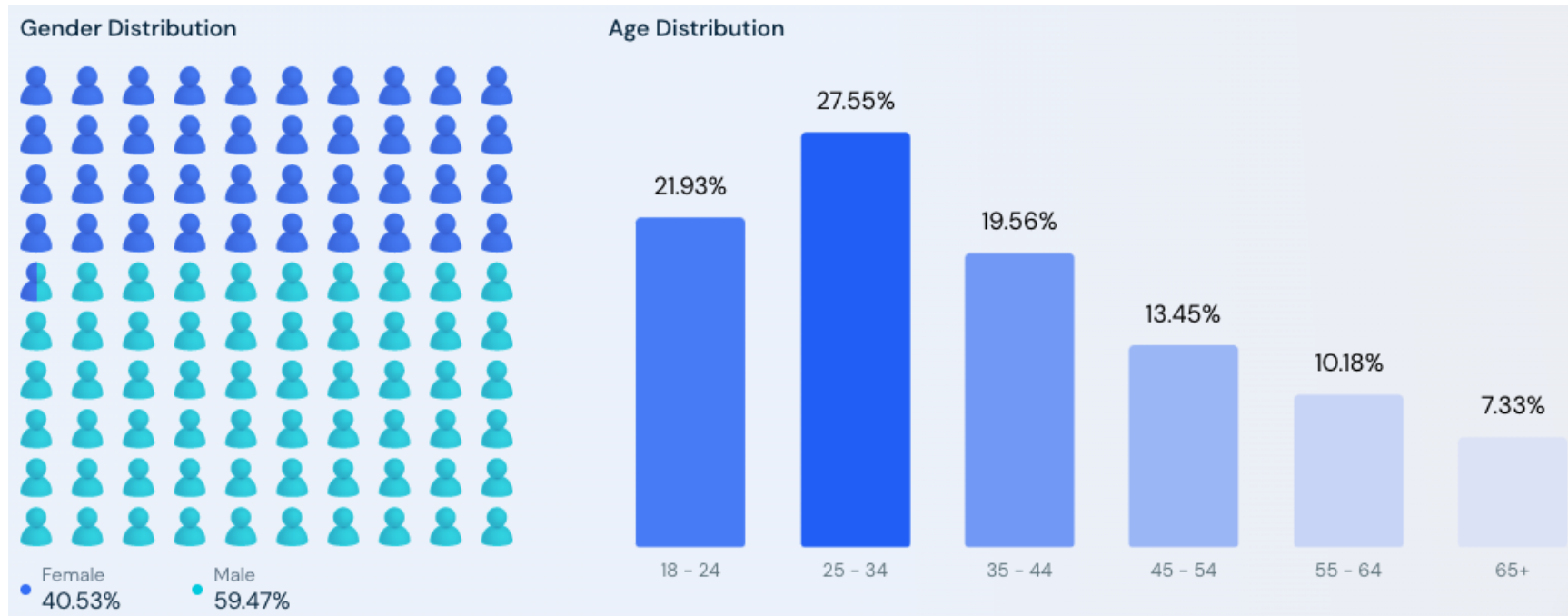
Locations:

Indiana
Maryland
Massachusetts
New Jersey

⁶ ZoomInfo: <https://www.zoominfo.com/c/children-of-america-llc/57772751>

New York
North Carolina
Ohio
Pennsylvania
Texas
Virginia
Wisconsin

Audience Demographics: childrenofamerica.com's audience is 59.47% male and 40.53% female. The largest age group of visitors are 25 - 34 year olds.⁷



⁷ Similar web: <https://www.similarweb.com/website/childrenofamerica.com/#geography>

Kiddie Academy



Kiddie Academy Educational Child Care is an American franchise system of early learning centers with over 250 franchised academies in 30 states and the District of Columbia. Kiddie Academy is headquartered in Abingdon, Maryland.

Phone Number:

(410) 515-0788

Website:

www.kiddieacademy.com

Revenue:

\$20 Million⁸

Number of locations:

250+

HQ:

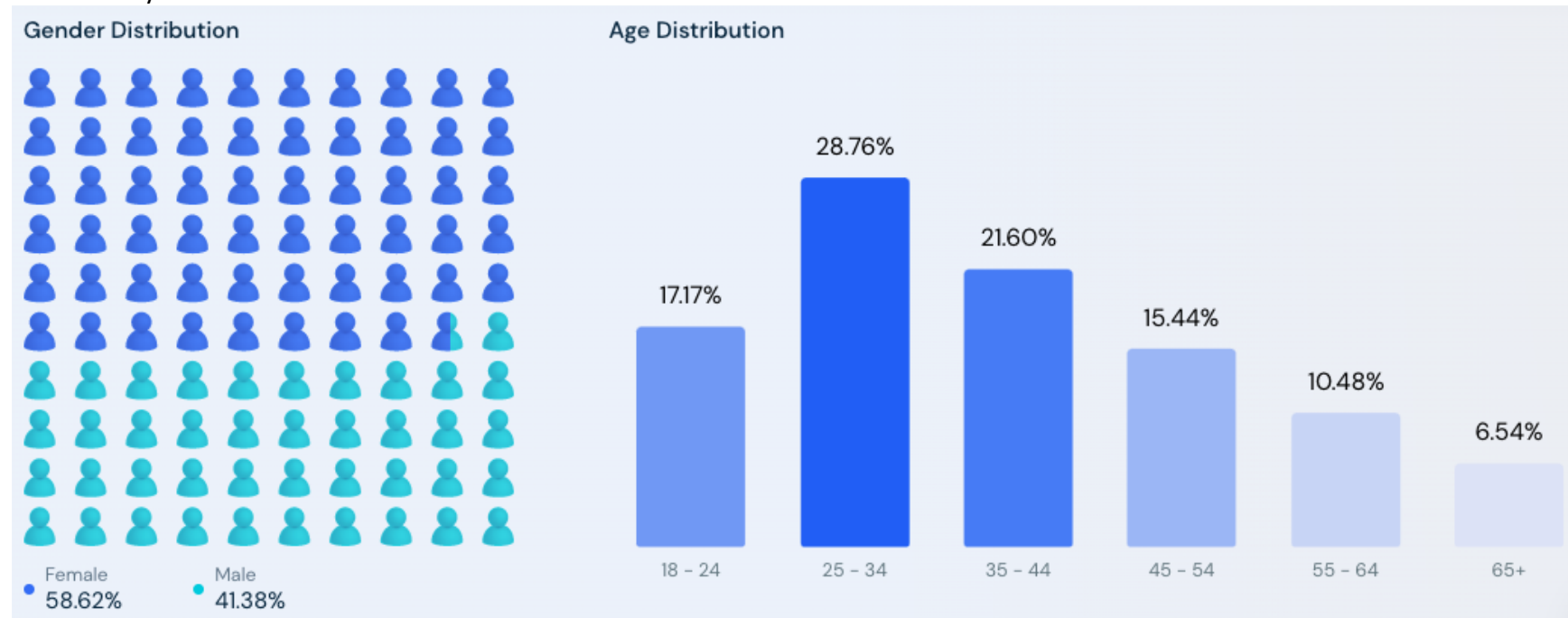
Abingdon, Maryland, U.S

⁸ ZoomInfo: <https://www.zoominfo.com/c/kiddie-academy/21447251>

Programs:

Health Essentials All Ages
 Infant Care 6 weeks to 12 months
 Toddler Care 13 to 24 months
 Early Preschool 2-Year-Olds
 Preschool 3-Year-Olds
 Pre-Kindergarten 4-Year-Olds
 Kindergarten 5-Year-Olds
 School Age Ages 5 to 12
 Summer Camp Ages 5 to 12
 Life Essentials® At Home Infant to School Age

Audience Demographics: kiddieacademy.com's audience is 41.38% male and 58.62% female. The largest age group of visitors are 25 - 34 year olds.



Children's Courtyard



Phone Number:
(512) 272-8855

Website:
www.childrenscourtyard.com

Revenue:
\$5 Million⁹

HQ:
Arlington, Texas

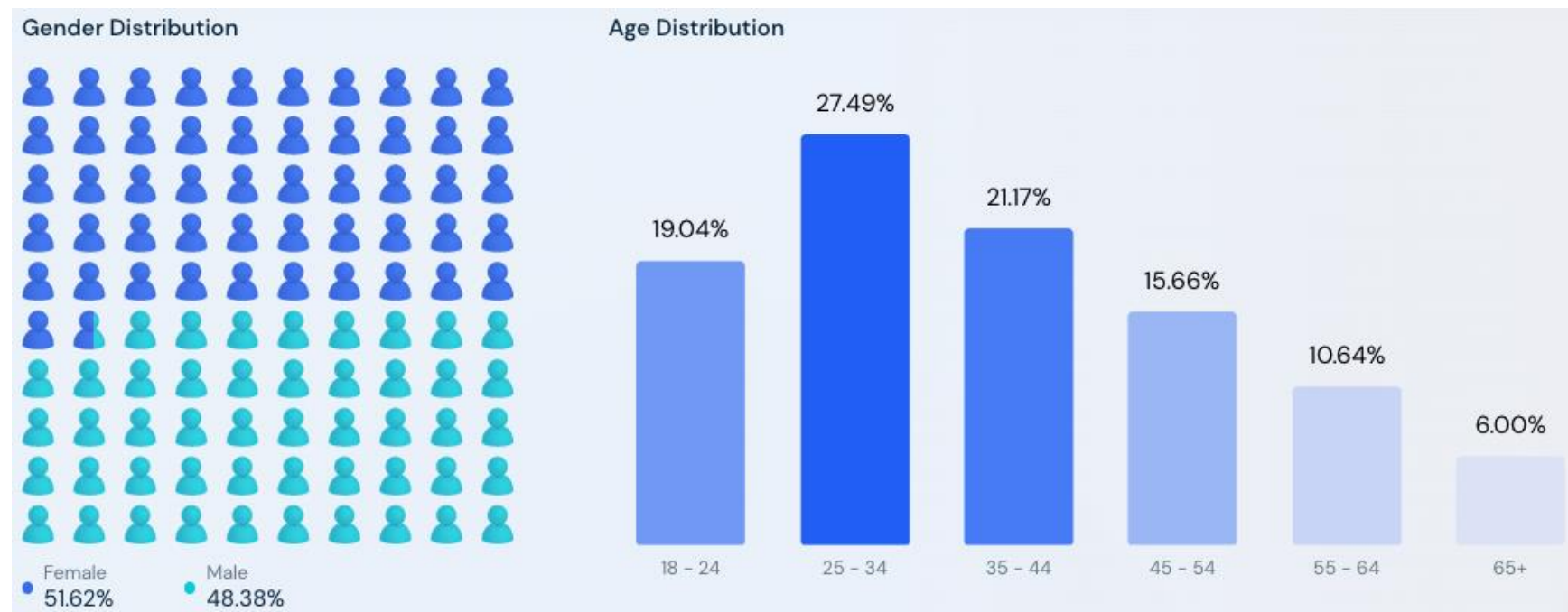
Programs:
Infants
Toddlers
Twos
Early Preschool
Preschool

⁹ ZoomInfo: <https://www.zoominfo.com/c/the-childrens-courtyard-inc/15421842>

Pre-K
Junior Kindergarten
Private Kindergarten
Before & After School
Drop-In Care
Electives
Spring Break
Summer Camp
Grow Fit

Audience Demographics:

childrenscourtyard.com's audience is 48.38% male and 51.62% female. The largest age group of visitors are 25 - 34 year olds.



Competitor Analysis (Miami)

The Learning Center for Kids



TLC Kid is located in Miami, FL, United States and is part of the Child Day Care Services Industry.

Phone Number:

(305) 539-0088

Website:

www.tlckid.com

Revenue:

\$39 Million¹⁰

Employees:

15

Year Started:

1991

¹⁰ ZoomInfo: <https://www.zoominfo.com/c/tlc-schools/355460136>

Locations:

TLC – 8th Street
TLC – Fort Lauderdale
TLC – University Park
TLC- Homestead

Services:

Babyroom
Preschool
VPK
Afterschool
TLC Camps
Back-up Care

Certifications & Associations:



La Petite Academy of Miami



La Petite Academy provides early childhood education with daycare centers and schools throughout the United States.

Address:

6190 NW 7th St, Miami, FL 33126, United States

Website:

www.lapetite.com

Revenue:

\$2 Billion¹¹

Programs:

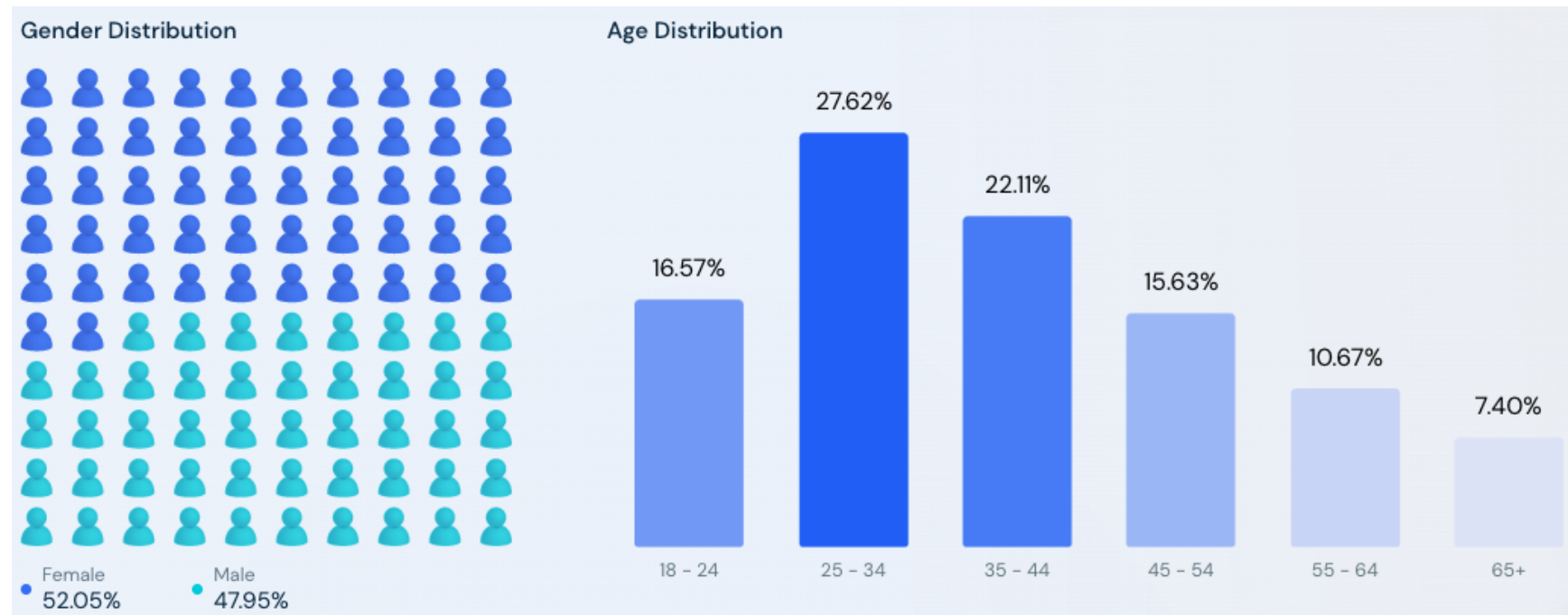
Infants
Toddlers
Twos
Early Preschool
Preschool
Pre-K
Junior Kindergarten

¹¹ ZoomInfo: <https://www.zoominfo.com/c/la-petite-academy-inc/21921937>

Private Kindergarten
Before & After School
Drop-In Care
Electives
Spring Break
Summer Camp
Grow Fit

Audience Demographics:

lapetite.com's audience is 47.95% male and 52.05% female. The largest age group of visitors are 25 - 34 year olds.



Sweet Angels Academy 24 HR Preschool Daycare



Sweet Angels Academy Preschool Daycare in Miami. Originally Sunny Day School established in 1925 by Zoila C Fuentes, this daycare facility has helped educate and form infants and preschoolers lives for 75+ Years.

Address: 3265 NW 14th Terrace, Miami, FL 33125, United States

Website: <http://www.babynightcare.com/home.html>

Activities:

- Singing
- Dance
- Speech Therapy
- Reading
- Outdoor play
- Counting
- Social development
- Story time
- Games
- Large and fine motor skill development
- Circle time
- Cooking

Ultimate Guide

Since most parents work outside the home, most preschool aged children receive some form of child care. While many are cared for by nannies, babysitters or other family members, nearly one-quarter (23.4%) of children under age five attend an organized daycare center. Starting a daycare center can be both personally fulfilling and financially rewarding.

Opening a daycare can be intimidating, but it can also be incredibly rewarding. While there is no blueprint for success, many child care business owners find joy in the journey. So whether it's your passion for kids or desire to serve parents in your community, there are many valid reasons to open a daycare.

Advantages to Starting a Daycare

Starting your own daycare business can be advantageous on multiple levels. For one, you'll have the personal satisfaction of starting your own care center from scratch. Then, there's the joy of spending time with children and learning life-changing lessons along the way.

Emotionally rewarding: Working with kids teaches you to be patient and enjoy the simple things in life. You'll also have the flexibility of having your own business versus being confined to a traditional day job.

Financial freedom: By opening a daycare, you're in control of your income rather than reliant on a typical paycheck. You can maximize your earning potential and make investments back into your own business.

Personal child care: If you have your own child, you can care for them while you're running your daycare. This will save you money and give your offspring opportunities to make friends with other kids.

Continued education: Opening a daycare can open the door to new opportunities in the field of child care. You may be presented with another job position or choose to pursue additional education of your own accord.

Extra money: Rather than stay home and care for your own children for free (assuming the original plan was to be a stay-at-home parent), why not make some extra money by caring for other children at the same time?

Tax deductions: As a business owner, you can write off certain expenses as business expenses, saving you money on your taxes. These expenses can include a portion of your housing payment (if you have an in-home daycare), your cell phone bill, your vehicle, child care supplies and more.

Startup Cost

According to small business website bizfluent.com, the average startup cost for a daycare center is \$10,000 to \$50,000. This can vary widely depending on whether you're opening a home-based daycare or leasing a separate facility for your care center.

If you don't have \$10,000+ in your bank account, don't worry. There are many grants and loans available to child care businesses. In fact, some local businesses will offer financial incentives to support budding child care centers. Consider reaching out to your community for support.

Costs Associated with Starting a Daycare

- Renting a daycare space
- Indoor and outdoor play equipment
- Toys
- Art supplies
- Cleaning supplies
- Child care supplies (like diapers and wipes)
- Business laptop
- Licensing fees
- Food (for snacks/meals)
- Bottles, cups, plates, utensils, etc.
- Car or reliable transportation (optional)

Licensing Requirements

You might have started off as a babysitter or a nanny, but in order to start a full-on daycare business, you need to meet the proper licensing requirements in order to be legal. That way, your daycare will be legitimate and you won't run into any legal trouble accepting children into your care.

A good first step is to contact your state's Department of Children and Family Services (DCFS) to learn about their specific regulations for child care providers. Another option is your local area's child care licensing agency. You can usually find this information online.

To obtain a license to start a daycare center, you'll also need a current CPR certification, a clean driving record and additional documents that prove your commitment to providing quality child care. Don't be afraid to ask your local agency questions to ensure you're satisfying all requirements.

Draft up a Contract

As a small business owner, having a contract is always a good idea. The parents that come to your facility are essentially your clients, and you want to have a solid contract in place to protect yourself from any legal issues.

Here are some important questions to consider when creating your contract:

- How do you expect to be paid?
- How will you handle late payments?
- What time should parents pick up their children?
- Are there consequences for late pick up?
- What services will you provide?
- What is your policy when it comes to sick children?
- Do you offer refunds? If so, under what conditions?
- What happens if a child is injured at your facility?

Policies and Procedures

Establish policies and procedures for the families that attend your daycare and your staff. These procedures may include an emergency plan, safety procedures, privacy protocols and rules for your facility.

Having these procedures in place will help you keep the children safe and protect yourself from liability (in some instances). In establishing your policies, be sure to review your local child care licensing requirements to ensure compliance.

Staff

When you're first getting started, you may just be a company of one, as you might want to save the cost of hiring unnecessary help. But over time, you may need to hire help to take care of the kids during the day.

This is especially true if you find yourself running up against the required ratio of staff to children, as outlined in your local daycare licensing requirements. Be sure to review these to make sure you have enough staff for the number of children you plan on caring for. Also, make sure all child care staff undergo criminal background checks and provide references to ensure the safety of the children. Make your hiring decisions carefully to keep your facility safe and maintain a stellar reputation.

Social Media Promotion

Another effective marketing tool for daycare centers is social media. Platforms like Facebook, Instagram and LinkedIn can be used to promote your business and draw in potential clients.

Create a business Facebook page to post more information about your daycare, collect client testimonials and keep families up-to-date with events at your daycare. You can also post on Instagram and LinkedIn, with targeted hashtags, to attract families in your area.

As your business grows, you might decide to invest in paid marketing services. A digital marketing agency or consultant can help you increase your business's presence online, outrank your local competitors and attract new clients.

Swot Analysis

Strengths

Growing market

Minimal Education Requirements

High demand for childcare that will never go away

With an in-home daycare, some household expenses can be tax write-offs

Highly rewarding career

Easy to scale business

High customer retention rates

Simple business model

Results and revenue happen quickly!

Weaknesses

May have to work long hours

Payscale isn't usually the highest

Adhering to safety regulations can be costly

High employee turnover

Time commitment

Difficult to build trust with your customer

Opportunities

This business is all about referrals, which can be a very impactful way to attract and retain customers. It's critical that you have a great referral program in place that incentivizes your customers to tell their friends about your product.

Can build solid foundation of clients

Threats

High Competition

Economic slowdown can impact your business